

## **SUMMARY SHEET**

Because there exists a disproportionably high rate of foreclosures in Shelby County including some of the larger Memphis area African American communities that have been caused substantially by financial institutions unlawful, irresponsible, unfair, deceptive and discriminatory lending practices, the City of Memphis and the County of Shelby in conjunction with the Memphis Area Legal Services is interested in pursuing litigation against these lending institutions.

The purpose of this litigation would be to both obtain injunctive relief to stop foreclosures at the current time currently going forward and secondly to obtain some financial relief to the citizens and Memphis and Shelby County for the damages to local governments relative to these predatory lending practices.

Other cities and local governments in the United States have filed these types of lawsuits such as Baltimore, San Diego, and Cleveland. The State Attorney General has been in communication with the County Mayor regarding this type of litigation and has been invited to join in with Memphis and Shelby County and Memphis Area Legal Services in participating in the litigation. No decision has been made by the Attorney General's office at this time relative to their participation.

This resolution also states the County's intent to pay up to one-half of the cost and expenses of the litigation up to a maximum of \$125,000.00 and to provide in-kind services from the County Attorney's office in the formulation of prosecuting of such litigation. Any actual funding will be paid out of the County Attorney's office outside professional fee line item and will come from funding sources transferred into this line item by the administration from any and all available sources and any new funds as approved by the County Commission, if necessary. This resolution also requires the County Attorney's office to report back to the County Commission on a regular basis of the progress relative to this litigation.